

July 31, 2008

Children's Services and Foster Care Overview

LEGISLATIVE ANALYST'S OFFICE

Presented to:

Assembly Select Committee on Foster Care



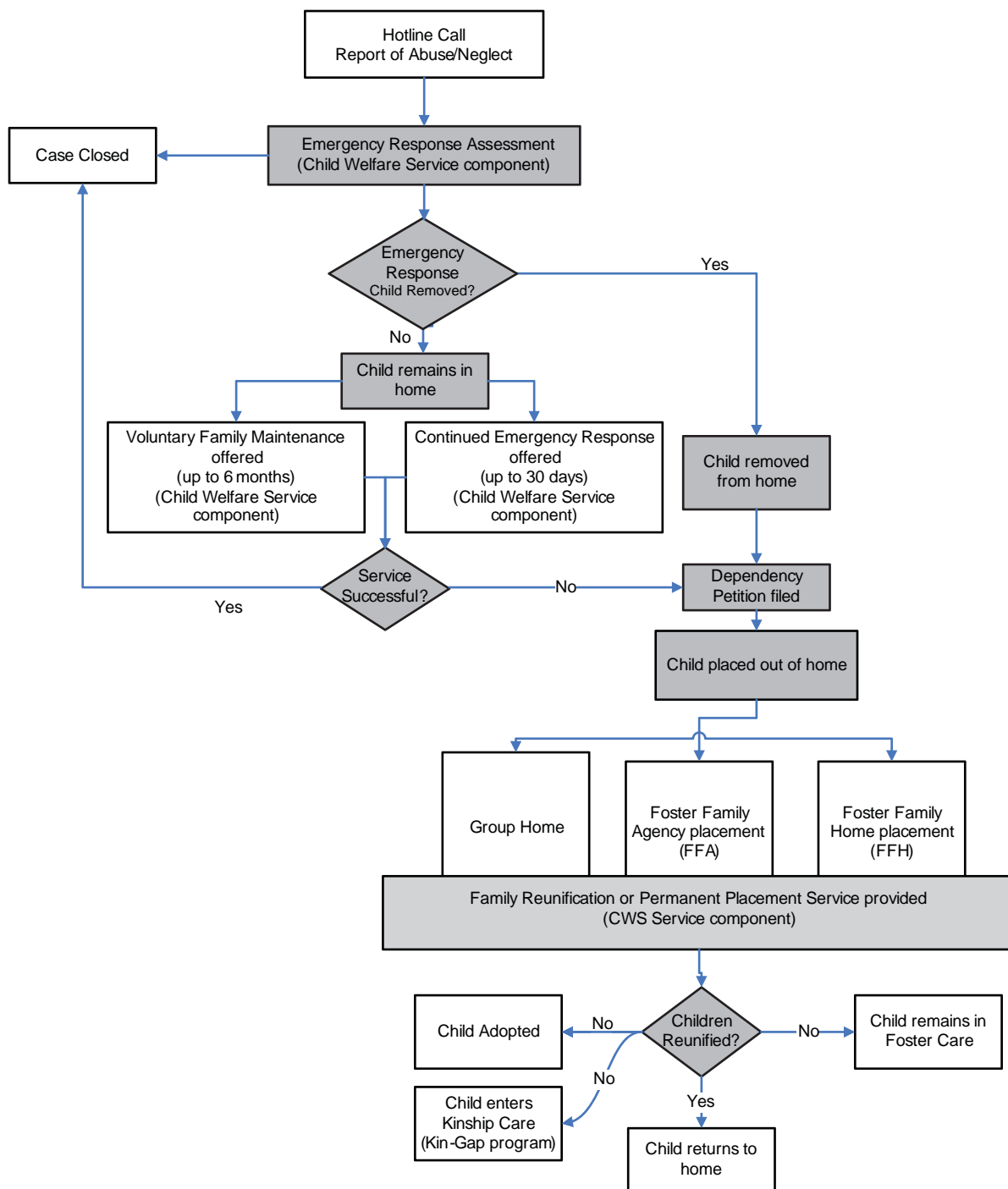


How Do Children Enter the Child Welfare Services System?

- ☑ Statewide, hotline calls alleging child abuse and neglect are received for approximately one-half million children each year (2007).
 - Slightly more than 21 percent are substantiated (106,706).
- ☑ Of referrals substantiated, almost 31 percent resulted in entry to foster care (32,960).
- ☑ Of the children with substantiated referrals, “neglect” accounts for the largest proportion of referrals (45 percent).



What Happens When There Is a Report of Child Abuse/Neglect?





What Are the Foster Care Placement Options?



If a child is removed from a home, placement may be in one of the following: group home (GH), foster family agency (FFA) placement, or foster family home (FFH).

- **FFHs** are licensed residences that provide care for no more than six children.
 - **Relative Care.** Over 70 percent of children placed in family homes are placed with relatives. If the relative's home is approved, the relative receives a monthly grant equal to that of an FFH provider.
- **FFA placements** are private, nonprofit corporations that provide treatment and certify placement homes for children with higher level treatment needs. The FFAs are designed to be an alternative to GHs.
- **GH placements** provide 24-hour supervision in a structured environment. Facilities range from small (up to six foster children) to large homes that house many children. This is the most intensive and costly form of care designed to support children with the most significant needs.



What Are the Costs and Caseloads For Foster Care?

2007-08

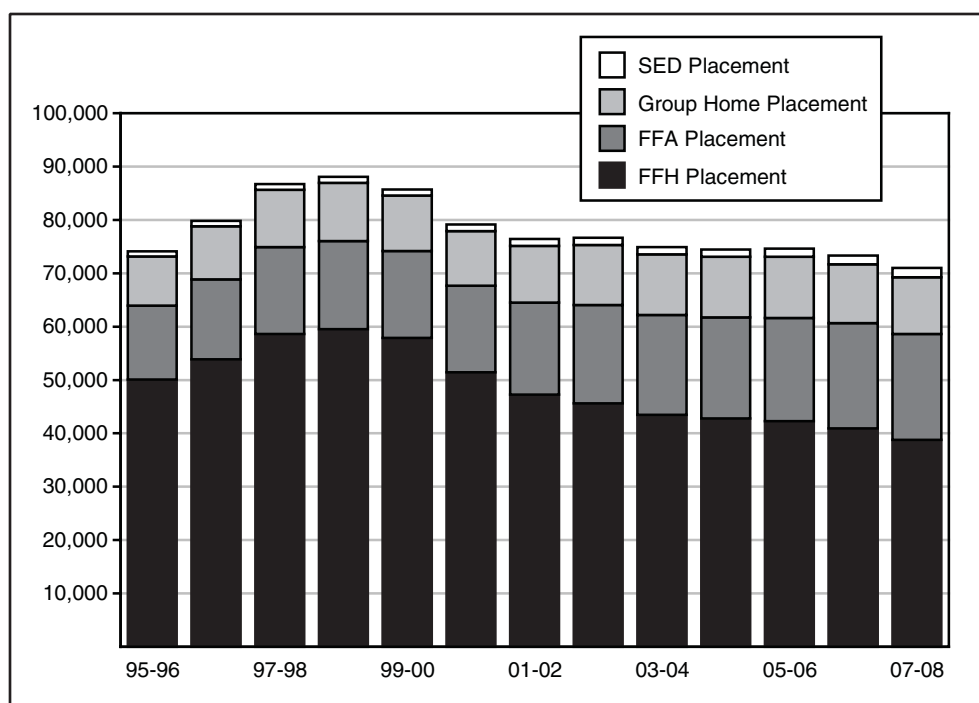
Placement Type	Average Monthly Caseload	Average Monthly Payment Per Case
Foster family home	38,788 ^a	\$723
Foster Family Agency	19,847	1,793
Group home Care	10,593	5,434
Seriously Emotionally disturbed	1,796	5,607
Total	71,024	

^a Includes estimated FFH cases switching to the Kinship Guardian Assistance Payment Program.

- GH placement represents the most intensive service level and highest cost foster care placement option. This type of placement represents 15 percent of cases.
- FFH placements, including those with relatives, are the most common, representing 55 percent of total out-of-home placements.
- The California Department of Education designates children as seriously emotionally disturbed (SED). Although there is no court adjudication involved in these cases, most SED children are placed in intensive GHs.



Foster Care Placement Caseload Trend



- Total Foster Care placement increased by almost 19 percent between 1995-96 and 1998-99, then dropped by over 13 percent over the next two years. Since 2001-02, the caseload has decreased at a slower rate—a total decrease of 7 percent over the past six years.
- GH placement has grown by 16 percent since 1995-96.
- FFA placement has increased by 42 percent since 1995-96, while FFH placement has decreased by 18 percent.
- SED placement has grown by over 78 percent since 1995-96.



What Are the Costs and Caseloads for Child Welfare Services Components?

2007-08

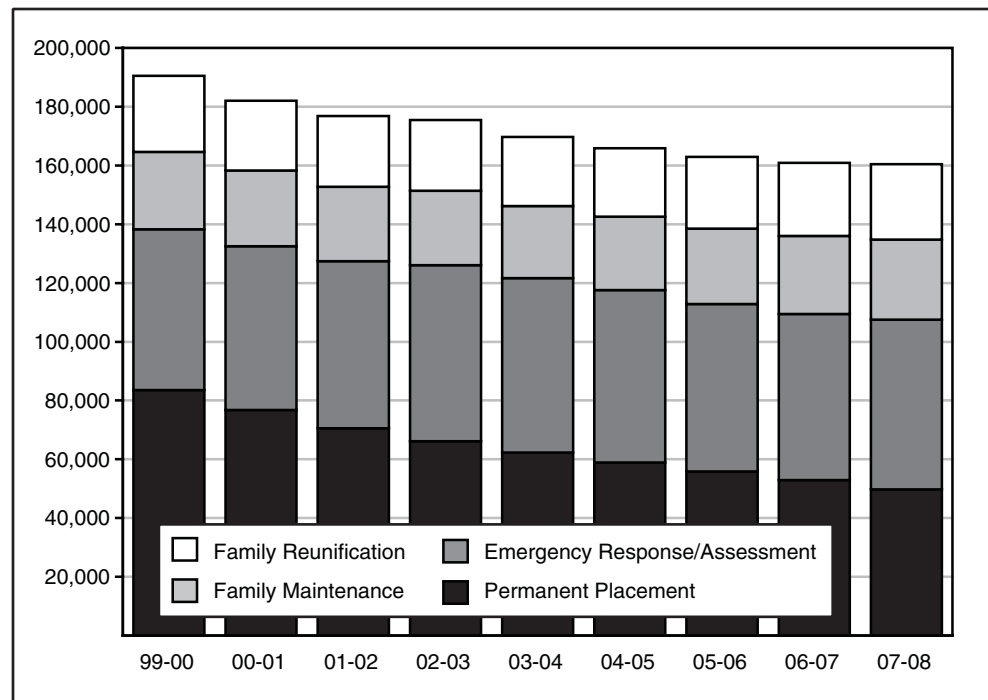
	Cases		Estimated Expenditures (In Thousands) ^a
	Number	Percent	
Emergency Response Assessment	14,522	9%	\$8,968
Emergency Response	43,182	27	581,686
Family Maintenance	27,277	17	165,838
Family Reunification	25,629	16	206,507
Permanent Placement	49,790	31	212,685
Totals	160,400	100%	\$1,175,684

^a Excludes county overmatch funds and funding for various child welfare supplemental programs, including the Outcome Improvement Project Augmentation.

- Emergency Response Assessment and Emergency Response Services involve the investigation of the referral, a determination of the appropriate action, and/or up to 30 days of intervention with the family.
- While in a foster care placement, a child will also be provided Child Welfare Services. This service component is usually either Family Reunification services or Permanent Placement services.
- Family Reunification provides intervention and services to enable the child in Foster Care to return to the home.
- Family Maintenance provides services to families while keeping the child in the home.
- Services provided under both Family Maintenance and Family Reunification include:
 - Counseling, substance abuse treatment, parenting education, and domestic violence intervention.
- Permanent Placement provides services to find an alternative permanent family structure for children who are unlikely to ever return home.



Child Welfare Services Components and Caseload Trends



- Total caseload has decreased by almost 16 percent since 1999-00.
- The total caseload decrease is driven entirely by a decrease in the Permanent Placement caseload, which dropped by 40 percent since 1999-00.



Total Funding for Children's Social Services

2007-08 (In Millions)

	Expenditures	Federal Share	State Share	County Share
Child Welfare Services	\$2,589	58%	29%	13%
Foster Care	1,702	31	28	41
Foster care administration ^a	54	54	36	10
Adoptions assistance	731	42	44	15
Kin-GAP	121	—	78	22
Totals	\$5,197	\$2,288	\$1,733	\$1,174
Percent Total		44%	33%	23%
^a Includes administration costs for 56 non-waiver counties only. Detail may not total due to rounding.				



Methodology. The federal, state, and county shares shown in the table are blended averages reflecting federally and non-federally eligible costs, and different state/county sharing ratios for various program components.



Federal funding is provided in two major dedicated streams, Title IV-E and IV-B.

- Title IV-E funds are available for cases with out-of-home placement and are uncapped entitlement. The IV-E funds represent approximately 76 percent of the available federal funding.
- Title IV-B funds, which may be used flexibly for prevention and alternatives to placement, are capped and subject to annual appropriations. The IV-B funds represent approximately 4 percent of the available federal funding.
- In addition, other federal funds from Title XIX (Medicaid), Title XX (Social Services Block Grant), and Temporary Assistance for Needy Families make up the remaining 20 percent of the available federal funding.



Many counties provide additional county funds, known as “overmatch,” beyond the required minimum spending.

- In 2006-07, 30 counties provided overmatch funds totalling over \$170 million.



Child Welfare Services Workload Standards

Child Welfare Services Cases Per Social Worker

	Emergency Response Assessment	Emergency Response	Family Maintenance	Family Reunification	Permanent Placement
1984 Workload Standards	322.5	15.8	35.0	27.0	54.0
SB 2030 Standards:					
Minimal	116.1	13.0	14.2	15.6	23.7
Optimal	68.7	9.9	10.2	11.9	16.4

- Currently, the CWS budgeting methodology used to calculate the base level of funding for each county relies on workload standards established by the Department of Social Services (DSS) and the County Welfare Directors Association in 1984.
- Chapter 785, Statutes of 1998 (SB 2030, Costa) required DSS to develop a Child Welfare Services Workload Study, now commonly referred to as the SB 2030 Study.
- The SB 2030 Study determined that the 1984 caseload standards were too high and proposed revised minimum and optimum caseload standards for social workers, as shown above.



Child Welfare Services Workload Standards (Continued)

Estimated Number of Counties and Percent of Caseload Meeting SB 2030 Standards for 2007-08

	Minimum		Optimum	
	Number of Counties	Percentage of Cases	Number of Counties	Percentage of Cases
Exceeds standards	18	11.0%	4	0.9%
From 90%-99% of standards	10	10.4	2	0.2
From 80%-89% of standards	8	36.9	5	2.3
From 70%-79% of standards	6	5.6	9	8.2
From 60%-69% of standards	12	24.8	14	45.4
From 50%-59% of standards	4	11.4	10	7.9
Less than 50% of standards	—	—	14	35.2

- Using the 2007-08 estimated caseload and funding levels, the table above reflects our best estimates of the number of counties and cases relative to SB 2030 standards.
- These estimates require a series of assumptions and adjustments related to:
 - How certain flexible funds are allocated between social worker costs and other services for children;
 - The degree to which certain social workers are allocated to non-case management activities;
 - Actual costs and inflationary adjustments.